

**CITY OF HARRINGTON**

**RESOLUTION 15-R-04**

**A RESOLUTION OUTLINING PROPOSED FUNDING OF UP TO \$520,000 OF A GENERAL OBLIGATION BOND TO FINANCE THE COST OF INFLOW AND INFILTRATION REPAIRS TO THE SANITARY SEWER SYSTEM AND ESTABLISHING THE TIME AND PLACE FOR A PUBLIC HEARING THEREON**

**WHEREAS**, the City Council of the City of Harrington has determined that it is in the City's best interest to reduce inflow and infiltration in the City's sanitary sewer system; and

**WHEREAS**, the City Council has determined that it would be advantageous to finance a portion of the inflow and infiltration repairs in order to accept the offered United States Department of Agriculture (USDA) grant of five hundred eighty thousand dollars (\$580,000); and

**WHEREAS**, the City pursuant to Section 16.2 of 69 Del. Laws Ch. 115, as amended, (the "Charter") proposes to issue up to five hundred twenty thousand dollars (\$520,000) maximum principal amount of the City's general obligation bonds in order to pay costs of improvements to the sanitary sewer system and pay the costs of issuance of the bond (collectively, the "Project"); and

**WHEREAS**, the City has applied for and the USDA has offered the City a grant and loan package to pay for the project in the amounts of a grant for five hundred eighty thousand dollars (\$580,000) and loan of five hundred twenty thousand dollars (\$520,000) maximum principal amount; and

**WHEREAS**, the Charter of the City of Harrington allows for long-term borrowing for certain projects without voter approval under § 16.2.

**NOW, THEREFORE, BE IT RESOLVED** that notice is hereby given to the residents and property owners of the City of Harrington that the City Council proposes to borrow an amount of money not to exceed five hundred twenty thousand dollars (\$520,000) principal amount to fund the project; and

**BE IT FURTHER RESOLVED** that pursuant to Section 16.2.2 (a) of the Charter, notice is hereby given of the following information regarding the loan:

Amount of Borrowing: Total principal amount not to exceed five hundred twenty thousand dollars (\$520,000).

Municipal Purpose: Fixing inflow and infiltration into the City's sanitary sewer lines qualifies as a municipal purpose for which the City Council

may make long-term borrowings without voter approval under Section 16.2.3 of the Charter because the project is for the following purposes:

- (1) Repairing or replacing any structure for the collection of sanitary sewer (Section 16.2.3 (a)); and
- (2) Paying all expenses deemed necessary for the issuance of said bonds (Section 16.2.3 (d)).

Manner of Securing: The funds are to be borrowed through a general obligation bond of the City of Harrington issued to the USDA and secured on the full faith and credit and taxing power of the City to pay the principal and interest on the bond.

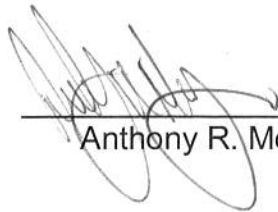
Other Facts Deemed Pertinent: The loan is part of a grant and loan package from the USDA and the City must issue the debt in order to receive the grant of five hundred eighty thousand dollars (\$580,000).


**BE IT FURTHER RESOLVED** that a Public Hearing will be held on the matter of this resolution on **May 18, 2015 at 7:00 p.m.**, prevailing time, at City Hall, 106 Dorman Street, Harrington, Delaware 19952; and

**BE IT FURTHER RESOLVED** that notice of such public hearing will be published in a newspaper of general circulation in the City and posted in at least five (5) places in the City not less than ten (10) days nor more than twenty (20) days prior to the date of the public hearing as required in Section 16.2.2 (b) of the Charter; and

**BE IT FURTHER RESOLVED** that pursuant to Section 16.2.2 (c) following the public hearing, the City Council may pass a second resolution and by the affirmative vote of at least five (5) members, proceed with the proposed borrowing.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that this Resolution was passed by a majority of the City Council of the City of Harrington on this 20<sup>th</sup> day of April 2015.

  
\_\_\_\_\_  
Anthony R. Moyer, Mayor

Attest:   
\_\_\_\_\_  
Kelly Blanchies, Clerk of Council

April 20, 2015  
\_\_\_\_\_  
Date